## THE TREASURY REPORT.

RECOMMENDATIONS BY MR. FOLGER, RECEIPTS AND EXPENDITURES—THE TRADE DOLLAR

NATIONAL BANKS. Secretary Folger in his report, which is herewith given in full, states that the receipts of the Government for the year ending June 30, were \$398,287,581, expenditures \$265,408,137, and the amount applied for redemption \$134,178,756. He discusses at length the purposes and uses of the trade dollar, and says that it should either be restored to its first state or called in at its nominal value and melted. A plan of redeeming this coin is given. In speaking of the National banks the Secretary recommends that the Internal Revenue tax upon circulation be taken off in whole or in part. He refers to the proposal to distribute the surplus in the Treasury among the States. The consolidation of customs districts and diminution of ports of entry he thinks are called for by sound business considerations. He believes that a further reduction of the tariff is necessary. The report points out defects in the laws regulating immigration. The differences between the Department and the Pacific railroads and the necessity of establishing a civil government in Alaska are referred to.

## THE DOCUMENT IN FULL.

TREASURY DEPARTMENT, WASHINGTON, D. C., December 3, 1883. See the honor to submit the following report:

Six: I have the honor to submit the ordinary revenues from all sources for year ended June 30, 1883, were:	r the fisca #214.705.496
Prom customs revenue Prom internal revenue Prom sales on public lands From tax on circulation and deposits of national	7,955,86
From tax on circulation and deposits of national	9,111,008
From tax on circulation banks, so coinsign, builton deposits, and assays.  From profits on coinsign, builtien deposits, and assays.  From customs fees, fines, penalties, &c.  From fees, consular, letters, patent, and lands.  From fees, consular, letters, by Pacific railway	4,460,200 1,486,236 3,322,36
From repayment of incited	1,556,86
From sinking-fund for Pacific rallway com-	1,822,10
panies  From deposits by individuals for surveying pub- lic lands.	1,221,61
New-York city	121,00
New-York city Prom Indian trust funds From donations towards liquidating the public debt	1.839,53
debt. From Japanese indemnity fund. From immigrant fund. From revenues of the District of Columbia. From miscellaneous sources.	281,470 1,970,930 2,413,333
From imsocianicous acutectors	\$398,287,58
The ordinary expenditures for the care	**** *** ***
For civil expenses.	2,419,27

For Indians.
For pensions
For the military establishment, including river
and harbor improvements and arsenals.
For the naval establishment, including vessels,
machinery, and improvements at navyyards.
For miscellaneous expenditures including public
buildings, light-houses, collecting the revenue.
For expendiures on account of the D. of C.
For interest on the public debt. 48,911,382 15,283,437 40,098,432 3,817,028 59,160,131 265,408,137 Total ordinary expenditures..... 132,879,444

1,299,312 Making...

Was applied to the redemption:
Of bonds for the sinking fund.
Of fractional currency for the sinking fund.
Of funded loan of '81, continued at 3's per cent.
Of loan of July and Aug., '61, con. at 3's per c't.
Of funded loan of '97,
Of funded loan of '81,
Of loan of July and August, '01
Of loan of July and August, '01
Of loan of July, '82,
Of loan of July, '82,
Of twe-twenties of '64,
If ive-twenties of '64,
If ive-twenties of '64,
If consols of '65. 184,178,750 44,850,700 46,556 65,380,250 20,594,600 1,418,850 719,150 18,000

134,178,756

Or refunding certificates. 103,150
Of refunding certificates. 103,150
Of refunding certificates. 113,300
Total 134,173,750
The requirements of the sinking-tund for the past fascal year, including a balance of \$461,309 15 from the preceding year, have been fully met. It is estimated that the requirement for the present fiscal year will be \$45,816,741 07, of which there has been applied during the first four months of the year the sum of \$28,786,550.
Compared with the previous fascal year, the receipts for 1833 have in the following items decreased \$15,172,1833 have in the following items decreased \$15,172,1833 have in the following items decreased \$15,172,1833 in further of the previous fascal year, the receipts for 1833 have in the following items decreased \$15,172,1833 in internation of the previous fascal year, the receipts for 1833 have in the following items decreased \$15,172,1833 in the previous fascal year, the proceeds of sales of fascal year, the proceeds of sales of railway material, \$97,179 81; in proceeds of sales of sales of railway material, \$93,000; in proceeds of sales of sales of railway material, see the previous from experiments in the manufacture of sugar, \$789,35; in steambout fees, \$35,700 86; in Indian trust funds interest and premium, \$5,893,074 55; in sales of Indian lands, and interest on deferred payments, \$193,619 73; in deposits by individuals for surveying public lands, \$83,063 46 60; in reimbursament by National bank redemption agency. \$57,174 17; in Hot Springs reservation, \$23,800 76; and in depredations on public timber, \$6,709 27. There was an increase of \$9,324,380 05, as follows: In sales of public lands, \$25,500 66; in marine hospital tax, \$9,779 66; in repayment of interest by Pacific railway companies, \$25,831 69; in consular fees, \$12,712 41;

\$5,237,668 33.

The expenditures show an increase over the previous year of \$21,717,930 57, as follows: In the War Department, \$5,340,888 74; in the Navy Department, \$5,340,888 74; in the Navy Department, \$251,399 91; in Pensions, \$4,667,379 69; and in civil said miscellameous, \$11,458,271 23. There was a decrease of \$14,291,232 60, as follows: In interest on the public debt, \$11,617,075 54; and for Indians, \$2,374, 157 06; making a net increase in the expenditures of \$7,426,097 97.

FISCAL YEAR 1884.

For the present fiscal year the revenue, actual and estimated, is as follows:

mated, is as follows:		
Source.	ended Sept. 30, 1853.	For remaining three quar- ters of year.
	Actual.	Estimated.
From enstons From internal rev. bue From sales of public lands	\$57,402,975 29,663,078 2,032,635	\$137,507,024 90,837,021 5,0\$7,364
From tax on circulation and de- sits of National banks	1,557,800	1,542,199
sinking-lund, Pacine ranway	1923,000	1,478,940
From customs fees, fines, peanlies, etc.	230,039	901,303
From fees-consular, letters-		2,496,790
From proceeds of sales of Govern- ment property  Property on coinser, etc	112.562 950,229	197,437 3,149,770
From deposits for surveying	172,461	827,558
Prom revenues of the District of Columbia. Prom miscellaneous sources	Burney C	1,048,982 2,382,810
Total receipts	\$95,966,917	
The expenditures for the samueld, are:	me period, net	
Object.	For quarter ended Sept. 30, 1883.	for remaining three quar- ters of year
	Actual.	Estimated.
For civil and miscellaneous ex- penses, including public build- ings, light-houses and collect- ing the revenue. For pensions. For pensions. For antitary establishment, in challing fortifications, rive	\$15,385,790 2,623,390 10,285,201	4,120,605
and barbie trongovernents and	7.1	

and harbor improvements and 18,512,204 arsenals
For naval establishment, including vessels and machinery and
ingrevements at navy-yards
For expenditures on account of
the District of Celumbia.
For interest on the public debt. 4,199,299 2,611,163 39,702,702 1,138,836 \$07,912,090 \$190,057,909 Total ordinary expenditures. .\$343,000,000 258,000,000 Estimated amount due the sinking fund ..... Leaving a balance of. \$30,183,258

The revenues of the fiscal year ending June 30, 1885, are thus estimated upon the basis of existing laws:
From customs, 195,000,000
From the revenue, 195,000,000
From repayment of interest and sinking fund, 195,000,000
From repayment of interest and sinking fund, 195,000,000
From the revenue of the platrict of Columbia, 1,000,000
From revenues of the District of Columbia, 1,000,000
From miscellaneous sources, 195,000

Total estimated ordinary receipts, . · #343,000,000 Total estimate is based on information from the Peusion Bureau of the Department of the Interior. It should also be stated that there is an unexpended balance of \$89,009,000 of the appropriation for pensions for the fiscal year 1885, which was reappropriated by Congress at its last scaling that Congress at its last scaling that Congress at the same time appropriated \$80,000,000 for the fiscal year 1884; and that the Commissioner of Pensions seat the heeds of his Bureau at \$40,000,000 for the year 1886; thus banking \$160,000,000 required by him during the years 1884 and 1885.

The estimates of expenditures for the same period, received from the several Executive Departments, are as Legislative Executive Foreign intercourse Military establishment Pensions\*
Public works—
Treasury Department
War Department
Navy Department
Interfor Department
Department of Justice Postal Service Miscellaneous Sinking-fund
Refunding—customs, internal revenue, lands, etc.
Collecting revenue from customs
Miscellaneous

46,269,756
7,293,600
5,500,000
4,583,680 Total estimated expenditures, including \$283,125,304

Or, an estimated surplus of \$283,125,304

Excluding the sinking-fund, the estimated expenditures will be \$236,855,548, showing an expected surplus of \$106,144,452.

EXCHANGE OF THREE AND A HALF PER CENT CONTINUED BONDS INTO THREE PER CENT BONDS.

The exchange of three and a half per cent bonds into three per cent bonds, under the authority of the eleventh section of the act of July 12, 1882, was resumed November 1, 1882, and continued until July 26, 1883. On this last day a call was made for the remaininging three and a half per cent bonds then outstanding, interest to cease November 1, 1883, and holders were notified that such bonds would not be exchanged into three per cent bonds. The exchanges made prior to November 1, 1882, amounted to Exchanges during the year, to 46,210,750 and 46,210,750 because the summaries of three and a helf nor

rate of interest than the three per cent bonds, the latter could not be redeemed until the former and been, that being the terms of the law under which the latter was issued. A portion of them had been called, but had not then matured. As mentioned above, \$46,210,750 of the bonds have been exchanged into three per cent bonds upon requests of the owners, leaving \$109,145,600 available for the investment of the surplus revenues. Calls have been issued for the entire amount, and the greater portion of the bonds have been redeemed and cancelled, the annual saving of interest which will result therefrom pelms \$3,820,006.

Under the provisions of the act of July 12, 1882, the

the annual saving of interest which will result therefrom being \$3,820,096.

Under the provisions of the act of July 12, 1882, the three per cent bonds issued thereunder, and amounting to \$305,581,250, became "redeemable at the pleasure of the Government" on and after July 23, 1883, all "redeemable" bonds bearing a higher rate of interest having then been redeemed or called. Calls have been issued for \$40,000,000 of such bonds, \$30,000,000 of which will mature in the month of December, and \$10,000,000 on the first day of February, 1884.

In addition to the above, the bonds described below, held by the Department of State and forming what has been known as the "Japanese indemnity fund," have been cancelled and destroyed, as directed by the act approved February 22, 1883, viz:

Punded loap of 1881, continued at 3½ per cent..... \$368,100

Funded loap of 1881, continued at 3½ per cent. \$368,100 Consols of 1907, 4 per cent. 1,418,850 Three per cent loan of 1882. 47,650 \$1,834,600 Total. \$1,834.000

There have also been cancelled and destroyed the following described interest bearing bonds, which were bequeathed to the United States by the late Joseph Lewis, and delivered to this Department by the executors of his estate, in accordance with the decree of the United States Court for the District of New-Jersey:

Loan of July and Angust, 1881 (3) per cent. \$500,000 Funded loan of 1881, continued at 3 per cent. \$4,000 funded loan of 1882. \$954,000

The following table shows in detail the redemptions and cancellations of United States bonds during the twelve months ending October 31, 1883:

and cancellations of twelve months ending October 31, 1883:
Bounty land scrip, act of Feb. 11, 1847,6 per cent. Seven-thirty notes of July 17, 1861.
Seven-thirty notes of 1894-1865.
Loan of February 8, 1861.
Oregon war debt.
Five-twenties of February 25, 1862.
Five-twenties of 1866. (May and November).
Ten-forties of 1864.
Consols of 1868.
Consols of 1868.
Loan of July and August, 1861, 6 per cent.
Loan of March 3, 1863, 6 per cent.
Loan of March 3, 1863, 6 per cent.
Loan of March 3, 1863, continued at 3½ prect.
Loan of March 3, 1863, continued at 3½ per cent.
Tunded loan of 1881, continued at 3½ per cent.
Consols of 1967, 4 per cent.
Loan of July 12, 1882, 3 per cent.
Total.

\$112,875,850 The reduction in the annual interest charge by reason of these changes, to November 1, 1883, is as follows:
On bonds redeemed or interest ceased \$53,704,450 00
On bonds exchanged into 8 per cent bonds \$231,053 75

, Oct. 31, 1883, uor	20 181,970,500 20,000,000 20,000,000 20,000,000 20,000,00	\$16,210,750 \$1,312,446,050
into 3 per cent bonds.	} <pre>\$46,210,750</pre>	
Redeemed during the year.	-\$800,050 53,050 52,050 1,414,550 597,360	8105,744,100
Instruct doring the year.	156,556,550 \$46,210,750 \$250,570 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$1	548,329,700
Outstanding Nov. 1, 1862.	\$156,836,550 \$20,000,000 738,990,000 738,990,000 14,000,000	\$1,418,040,2300 \$46,320,700 \$105,744,100
Paté of in- lerest.	5 p. cent., continued continued at 3 pp. c. 1 2 per ci.	

ded ded y. Printed ded CONVERSION OF REFUNDING CERTIFICATES. Since November 1, 1882, refunding certificates issued in 1879, under the act of February 26, 1879, have been presented for conversion into 4 per cent bonds as follows:

the party of the p

Four per cent bonds issued \$100,850 00 Interest paid in cash 3,400 50

The certificates still outstanding amount to \$325,850. STANDARD SILVER DOLLARS,

On November 1, 1883, under the act of February 28, 1878, there had been a coinage of standard silver dollars amounting to £156,720,949; there were in the Treasury at that date, \$116,386,017. There were then in circulaat that date, \$116,386,017. There were then in circula-tion, and in the mints on account of profits on the coinage not yet deposited in the Treasury, \$46,314,632. There were in circulation on November 1, 1882, \$35,383,786. The coinage between November 1, 1882, and the same date in 1833 had increased \$28,391,669; the amount in circulation for the same time had increased \$4,136,321; thus keeping up the great disproportion between the amount ready to be supplied and the demand for them, heretofore noted in the reports of this Department. The silver dollars in the Treasury on November 1, 1883, were held or stored at the places as shown in the following table:

table:
Statement showing the amount of standard silver dollars
and silver certificates in the Treasury offices, United

In office of	Standard silv'r dols.	Silver cer- tificates.
asistant Treasurer U. S. New York saistant Treasurer U. S. Philadelphia saistant Treasurer U. S. Boston saistant Treasurer U. S. Boston saistant Treasurer U. S. Chleggo tasistant Treasurer U. S. Chleggo tasistant Treasurer U. S. St. Louis saistant Treasurer U. S. St. Louis saistant Treasurer U. S. New-Orleans saistant Treas U. S. San Francisco Mint U. S. Philadelphia Mint U. S. Carson Mint U. S. New-Orleans Mint U. S. New-Orleans Mint U. S. New York Assay Office U. S. Charlotto Assay Office U. S. Helena In Transit	28,110,000 1,755,196 88,1500 4,862,400 5,202,400 6,798,497 16,298,000 4,169,611 6,725,222 81,095,677 8,689 4,600 2,668	3,843,900 885,400 395,490 550,000 826,000 1,802,720 4,270,000
Total	116386017	13,632,970

Here I may speak of "the trade dollar," the debased coin to which attention has been drawn by public ciamor and discussion. Doubtless the legislative purpose in cre-ating it was to make a piece of money that would find favor with Asiatic people, and not one for use at home. country.

That purpose was not made known, however, by the letter of the law under which it issued from the Mint. The act of 1873, under which the coinage of it began, has these words: "The silver coins of the United States shall be a trade dollar, a half dollar, or fifty-cent plece; a quarter dollar, or twenty-five-cent plece; a dime, or ten-cent plece." The act further declares that the relative proportion of pure metal and alley in the trade dollar, and the devices and legends upon it, shall be the same as those of the other coins of the United States. That act, and a later one of 1877, made it a crime to counterfeit any of our coins, and, as the trade dollar was declared to be a coin, made it a crime to counterfeit it. The act of 1873 made the silver coins of the United States, and hence the trade dollars, a legal tender at their nominal value for any amount not over 85. Thus the reading of the laws taught the people that the trade dollar was a cein of their sovereinnty, and for the redemption of whigh, at an unabated value, their Government was bound. The real legislative purpose is to be blindly sought for in tradition or in the record of Congressional discussion, and is indicated in the joint resolution of 1876, which took away from this coin the legal-tender quality of it, and held down the coinage of it to the call for it for exportation. It is plain that a bursy people, finding this coin affoat in the channels of basiness styled a coin of the United States, would readily believe that it was an authentic issue of the Government, and to be redeemed by the Government, the same as other money put out by it. From time to time, however, as it suits scheming men and the occasion fits, a hue and cry is ruled ers suffer loss or inconvenience.

SHOULD BE CALLED IN AND MELTED. That purpose was not made known, however, by the letter

SHOULD BE CALLED IN AND MELTED.

Or, an estimated surplus of
Excluding the shiking fund,
S59,574,695
Excluding the shiking fund,
showing an expected surplus of
\$106,144,402
EXCHANGE OF THREE AND A HALF PER CENT CONTINUED BONDS INTO THREE PER CENT BONDS,
The exchange of three and a half per cent bonds into
three per cent bonds, under the authority of the eleventh
section of the act of July 12, 1882, was resumed November 1, 1882, and continued until July 26, 1883. On this
last day a call was made for the remaininging three and a
half per cent bonds then outstanding, interest to cease
November 1, 1883, and holders were notified that such
bonds would not be exchanged into three per cent bonds.
The exchanges made prior to November 1, 1882, and holders were notified that such
some surface of the safe of the read of the secondary of the safe of the read of the safe of t

interpretation of that act, in connection with the joint resolution of 1876, denies to the trade-dollar a legal-tender quality.

It is possible to make an estimate of the amount that would come to the Treasury for redemption if authority were given therefor. The whole issue of the coin has been \$35,960,446. Some of that has disappeared in manufactured articles; it is estimated from one to two millions. It is calculated that five-sixths thereof went abroad in the beginning, and it is believed that but a small part of that has come back, and that there is now held by our people but from five to eight millions. Of that which remained abroad, there is good authority for baying that much of it found its way from China to India, and into the melting pot at the mint in Calcutta, and has been there east into coin of that country. The overweight and value of the trade-dollar by the side of the Mexican and Spanish dollar, with which it was co-current in China, brought much of it to the crucible there. It is understood in business circles, that in China silver coin is used by weight and not by count, save in a few ports, where Mexican dollars and a few other come are taken by tale. It is the practice of Chinese bankers, so it is reported, to stamp with their own mark the coin which they take and pay out. The coin thus defined soon comes to the state and repute of buildon, and the presumption is that our trade-dollars have, many of them, been so treated and so suffered.

Bear in mind, too, that from time to time for some years past, until of a comparatively late day, there has been inducement to reship this coin from China hither, because it has been free in circulation in most parts of the land, and for most of the time at a par with gold and silver money. There is reason to believe, then, that besides the sum of it in the hands of our own people, an embarrassing amount will not come upon us from abroad.

A PLAN OF REDEMPTION.

it has been free in circulation in most parts of the land, of most of the target and for most of the target and the parts of the land, of our own poople, an enhancement of the most of th

for as to soomer or later come, the relative to some interest which it was put forth.

If the apprehended that by the proposed exchange the fit be apprehended that by the proposed exchange the sem of the standard dollars will be enlarged, and more of them will be forced into circulation to the inflation of the currency, the disturbance of the relative bearing of excellences of the relative bearing of excellences of the part of the plan suggested guards from an increase of the monthly purchase of silver building and of the couldage of the standard dollar. That part is, that as the trade dollar is taken in for the standard dollar paid out, the former be counted as so much silver building, and by so much alvae the from the purchase in the market under the set of 1878. And if the receipt of the trade dollars by the exchange in any month shail be, when treated as building, more in sum than would be a purchase of two millions worth of building, then the excess thereon can be curried forward from month to month, so far as need by the exchange in the would be more or less likely to come into play as the insit of time for redemption is shorter or longer. If, indeed, no limit of time was fixed, or it was made as long as a twelvementh, this Department could be empowered to refuse redemption in one month of a sum more than enough to meet the requirement of that act, and still made full redemption of all that is likely to be brought in therefor.

the requirement of that act, and still make full redemption of all that is likely to be brought in therefor.

NOT LARGELY IN THE HANDS OF SPECILATORS.

If it be said that much of this coin, discredited and practically debased, is in the bands of speculators who have taken it at a discount, and that they would profit by legislation which would increase the actual value of it; while it may not be denied that lamentably this is too far the case, still it is to be answered that such is the luck brought by all debased coin when at last it is fairly redeemed. Speculators will make by a depreciation and following appreciation. A law for a fair redemption must have, with its good, the evil of helping some to gain who ill deserve it. The famit is not much more with the speculative trader, than with the legislation that has given him the chance for ignoble gain. His profit is a light incident, calling slightly for attention, because of the great general good to come from calling in a discredited coinage. Besides, leave this coin unredeemed, and by and by, when public attention is at a hill again, it will be once more set afloat at nominal value, to be in fulness of time once more discredited and lowered in purchasing power to the harm of good people. Moreover, the information which I have from practical and reliable men, who are at the sources of knowledge on this head, is that those known as tradesfolk, and most of the working people not in straits, uncompelled by necessity to part with the trade-dollar at a loss, have held it during panics, looking and waiting for action by the Government; and that the amount stored by brokers is a small part of what is in domestic ownership, the larger part being held by those who took them at full face for labor and in traffic in legitimate and honorable dealing. It is best, once for all, to call it in and put it out of possible use.

This Department does not recommend that a legal-

best, once for all, to call it in and put it out of possible use.

This Department does not recommend that a legal-tender quality be again given to the trade-dollar, to the sudden increase of the legitimate silver money of the country, with the inconvenience and incongruity of two dollars circulating together, of the same metal, of unequal real value and of different devices, yet of equal value in payment of debts and of purchase of property. It recommends that authority be given for the redemption of the trade-dollar in the standard silver dollar, dollar for dollar of nominal value, for the recolnage of the metal so received into a standard silver dollar to accord with the law for that coin, and for a reduction of the amount of silver buillon resulting from the exchange from the quantity of buillon required to be got by monthly purchases, for the purpose of colnage under the act of 1878. In the judgment of this Department that ferilaidon is safe, and is demanded by character of this issue, and by the need of the people for relief from the confusion and exposure to recurring less caused by its presence in the monetary system of the country.

SILVER CERTIFICATES.

Am't silver certificates outstanding Nov. 1, '83. \$99,579,141
Am't outstanding at same date in 1882 73,697,710
There was held by the Treasury 1st Nov. 1882 7,987,280
And on the same date in 1883 14,244,760
These figures show an increase of the silver certificates in the hands of the people of \$19,713,931. Figures given above show a like increase of silver dollars of \$4,136,321.

Yet it is apparent that any demand that is likely to arise for silver dollars, or for the silver certificates based arise for silver dollars, or for the silver certificates based upon them, may be readily met without further immediate coinage of the dollars or preparation of the certificates for issue. It is also apparent that to keep up an almiess purchase of silver builion, at the rate of over \$23,000,000 cach year, is a needless use of public money and of the taxing power to supply them, incurring a needless loss of the interest on the sum thus expended, and the expense of the manipulation. Apart from any consideration of the policy underlying the coinage at all of the standard silver dollar, as now authorized, it would seem that an operation of the Treasury and its mints, for which there is no immediate call, might be at least temporarily suspended.

pended.

The Department makes no further comment upon these facts, but refers to its last two annual reports for its views upon the continued coinage of silver dollars and the issue of silver certificates, and for its recommendations thereupon.

GOLD CERTIFICATES. Under the net of Congress of 1882, gold certificates have been prepared and have been issued as is shown in the following table:

Denominations.	Ready for issue Nov. 1, 1883.	Nov. 1, 1883.
90's 56's 100's 500's 1000's 5000's 1000's	\$21,440,000 16,800,000 16,000,000 14,000,000 20,000,000 22,500,000 85,600,000	\$12,960,000 10,200,000 9,700,000 9,250,000 14,000,000 10,000,000 80,000,000
Total	\$195,740,000	\$96,110,000

New-York certificate and the Department certificate. The first is made payable by its terms at New-York City; the second is dated at Washington, D. C., but expresses in its terms no place of payment.

Gold certificates, ActJuly 12, 1882.	\$20.	\$50.	\$100.	\$200.	\$1,000.	\$5,000.	\$10,000.	Tota
Received for issue to Nov. 1, 1883	Dollars. 21,440,000	Dollars. 16,800.000	Dollars.	Dollars, Dol	Dollars, 20,000,000	Dollars. 22,500,000	Dollars. 85,000,000	Dolla 195,74
Institute to Nov. 1, 1985; Now York Now York Now York Change to the to t	19,550,000 240,000 1,360,000 240,000 80,000	9,000,000 600,000 300,000 100,000	6,900,000 2,000,000 400,000	5,250,000	8,000,000	10,000,000	8,000,000 10,000,000 30,000,000 8,000,000	1111
	12.960,000	12.960,000 10,200,000	9,700,000		14,000,000	9,250,000 14,000,000 10,000,000	20,000,000	96,11
In reserve Nov. 1, 1888: New-York Washington	320,000	1,000,000	1,100,000	4,750,000		10,000,000	6,000,000 10,000,000 50,000,000 2,500,000 5,000,000	78.17
	8,480,000	6,600,000	6,300,000	4,720,000	0,000,000	12,500,000	6,000,000 12,500,000 55,000,000	90,00
A supplicable of the supplication of the suppl								196,74

_	Description.	Piecea.	Value.
Gold Stiver Minor		35,308,076	
			\$60,200,704.81

Total on June 10, 1883. \$765,470,093

There was a further increase by coinage and imports during the next quarter of—United States gold coin, \$7,257,905; United States silver coin, \$7,075,124.

The mints and assay offices held for coinage on the 1st of October, \$61,683,815 of rold bullion, and \$5,107,911 of silver bullion, making the total amount of United States coin and bullion available for coinage on October 1; United States and coin.

the Mint Bureau, and much valoable information to the has been obtained and appears in the report of the Director.

Walle upon this subject the Department recommends a revision and amendment of the coinage laws. The minor coins are not what they should be, either in appearance, in convenience, or in the case with which some may be distinguished from others by the sense of touch or even that of sight. There is so much recemblance of some of small value to some of greater value, that often holders or receivers confound them, and mistake them for others, and loss is sustained. From time to time there has been an increase by law of the devices upon them to an extent hindering the attainment of a good design. There can be improvement by a change of the metal of which some of them are to be made, and by the discontinuance of some of denominations not needful for use.

The accumulation of standard silver dollars in the custody of this Department at the date of its last annual report was such as to cause serious inconvenience, actual and prospective, for the want of age storage room. The vaults owned and hired by the Treasury are still heavily taxed for room, and frequent transfers must be made, at risk and cost. It is looked for that this ill will soon, in some measure, be abated. The Department is making a vault in the Treasury building at Washington, which will hold forty-five millions of silver dollars, and another at New-Orleans, which will hold twenty-eight millions.

The National banks hold, as security for circulation \$352,877,300 of United States bonds, a rediction of \$9,613,350 during the year. They hold \$201,327,750 of United States 5 per cent bonds as a basis of circulation. All of the latter are tikely to be called for payment during the next four or five years, unless the surplus revenue of the country is diminished. There is little or no profit on circulation based upon 4 and 4½ per cent bonds, at the present premiums therefor. A continued payment of the 3 per cents will probably result in a large reduction of the bank circulation, unless some counter stimulus is applied. Many propositions have been made to that end.

The National bank act, at first, provided for the issue of circulation equal to 90 per cent of the current market value, but not to exceed the par value, of United States bonds bearing 6 per cent interest; and the subsequent act of March 3, 1865, limited the circulation to \$345,000,000, to be issued in the anne ratio to capital, upon 5 and 6 per cent bonds. Since then the rate of interest upon bonds and the profit on circulation have decreased. With that decrease, the ratio of circulation issued upon the actual or market value of bonds has also decreased, until it is probable that, without helping legislation, loss, instead of gain, will ensue from depositing bonds as security for circulation.

The holder of bonds can borrow money in the market value. There is a discrepancy with this, in the requirement of the law that \$50 only of circulation shall be issued upon bonds, some of which have a market value of \$12.2. This asks a margin of \$32 as security for circulation, instead of \$10, as it was at the start of the system. The workings of the system show, that if from the beginning \$190 of circulation had been issued upon \$70 of honds, no loss would have accrued to holders of the bills of insolvent and failing banks, though there might have been loss to general circlitors, who must have dependently and the bonds have careful to the National bank which hav

HOW TO CONTINUE CIRCULATION.

in the located upon the six of those a universal desire to continue the circulation of these notes, as a conversience and a benedit which it would life us to be without.

The public and the naturally turned to the longity provided the state of the transport of the conversion of the public and the state of the public states where the public states are the public states of the Union as the norm in the public states are the public states and the public states where the public states are the public states are the public states and the public states are the

taken off in whole or in part. This is 1 per cent per annum, and amounts to about three millions and a quarter each year.

Take OFF THE TAX.

The privilege of furnishing a circulation has been, in the past, a profit to the banks; it has been, and is an expense to the fovernment to supervise the Issue of it, and senerally to take eare of the National bank system. That perhense has a profit of the taxation and preferable subject of taxation. The prime object of the faxation, in the beginning, was to obtain a recompense to the Government for its expenditure in behalf of the banks. It was laid upon this franchise because of the relation between the privilege and the Governmental expenditure. It was finale larger than enough for that particular parpose, because then the Government was in quest of subjects for taxation, and the funchise of banks, as the especially this one, was of value and profit. But fines have changed. The workings of the system, and the relations of it to the banks as that they aft, or any greatry, wish to exercise it. Let us see, then, whether the Government an take of this tax and keep itself recompensed. The tax yields annually about \$3,000,000. The expense of carrying on the funchism of the Controller of the Currency was last year \$104,055 07, of which \$16,820 is to be relationage on the funchism of the state of the Controller of the Government can take off this tax and keep itself recompensed. The tax yields annually about \$3,000,000. The expense of carrying on the furnatu of the Controller of the Currency was last year \$104,055 07, of which \$16,820 is to be relationary on the furnature of the Controller of the Government and tax of the tax may be taken off entirely, and the Government can be a loser. It may be taken off entirely, and the Government can be a loser. It may be taken off the furnation the law, with a to be relimbured by the banks. The net expense to the Government from the lose of note of a reduction of the circulation and the second of the circulation and the second of the com

and hoes be susfained. From time to time there has been an increase by law of the devices upon them to an excelentation that the devices upon the containing of the metal of which sense of them are to be made, and by the discontinuance of some of denominations not needfar for use.

The accumulation of standard and the of its last annual reduction of the many of the metal and provided and bred by the Treasury are still nearly the standard and bred by the Treasury are still nearly that the standard of the wast of safe storage-room. The standard and bred by the Treasury are still nearly that the standard is the standard of the wast of safe storage-room. The standard and bred by the Treasury stilling at washington, which will hold forty-five millions of silver dollars, and the standard of the standard some measure, be abated. The Department is some measure, be abated. The Department will hold forty-five millions of silver dollars, and the standard standard the standard of the standard the standard some measure, be abated. The Department is the standard of the standard the standard some measure, be abated. The Department is the standard of the standard some measure, be abated. The Department is the standard some measure, be abated. The Department is the standard of the standard some interest which standard the standard some measure, be abated. The Department is the standard some measure, be abated. The Department is the standard some measure, be abated. The Department is the standard some measure, be abated. The Department is the standard some interest the standard some measure, be abated. The Department is the standard some interest the standard

of the United States, though taken as security at a margin conling near to the current market value thereof. Other details may be suggested if Congress shall deter-mine to give relief to the bankers, and through them to people, in this matter, in the method proposed herein. HARDSHIPS OF THE NATIONAL BANKS.

mine to give relief to the bankers, and through the people, in this matter, in the method proposed herein.

HARDSHIPS OF THE NATIONAL BANKS.

I think that a retrospect of the twenty-three years last past will descry two things: First: That the Civil War result, had not the bonds of the United States been issued and found acceptation with moneyed men. Second: That they would not have found that acceptation had it not been for the lead and the effort of the National banks. Now, it has always been held a prine quality of value in those bonds that they have, by law of the United States, been exempt from taxation by State or municipality. Such is the law of the creation of them. That haw has effect when they are in the hands of individuals and of many corporations, and there in they are in vulnerable by such taxation; but when held by National banks the law falls of its purpose. Though owned by the banks as a part of their capital or their assets, and used by them in their business, even in their relations with the Government, State legislation has found a way to reach them. It is roundabout and evasive, but it is effectual. The stockholder of a National bank is made to pay a tax on the value of his share in the capital and assets, though they consist largely of the bonds of the United States. I submit that this is not equal taxation, and that it is especially mylust and ungrateful in view of the two statements of fact with which forbid such exercise by taxing power, and thereby make the holding of United States bombs and the use of them for a basis of circulation, more desirable to the banks.

It is plain to him who has knowledge of the usage of the taxing officers of municipalities, and of the political divisions of States, that often there is overvaine pait upon the property of banks as compared with that of the individual owner and of many corporations. It would be difficult by Federal legislation to find a measure which will give aid to the banks without deriment checohere, and may be taken by them in lieu of a

OVER-CERTIFICATION.

of sharp contractions.

OVER-CERTIFICATION.

The further legislation by Congress at its last session, to stop the over-certification by the National banks of checks drawn upon them, has not been kindly acquiesced in and observed. Directly or indirectly, it has been disobeyed, or evasion of it sought. In one case, upon the facts reported by a bank examiner, a reference has been made to the Department of Justice, by this Department, for prosecution. An indictment has been found against a teller, it will be tried in due course, when there will be judicial interpretation of the act of Congress, a judicial ruling upon the conduct deemed a violation of it, and a testing of the temper of a jury summoned from a busy mercantile and money-dealing victinage.

United States bonds are held, too, by State banks, trust companies, and savings banks. The National banks held on 1st November, 1883, as security for circulation and for public deposits and other purposes, \$380,088,350 of interest-bearing bonds of the United States, which is \$16,440,050 less than the amount held on the same date of the previous year. Banking institutions, other than National, held these bonds as follows: 754 State banks, in fourteen States, \$17,437,990; and 630 savings banks, in fourteen States, \$19,617,313—total, \$241,742,900, being \$21,717,517 less than at the same date of the previous year. The total amount held by National and State banks, and savings banks, is \$621,831,259, nearly one-half of the interest-bearing funded debt of the United States at that date, which was \$1,312,446,050.

The maximum amount of circulation issued to 286 State banks, organized either under the safety fund or free-banking systems of the State of New-York, was \$90,754,514, and the amount of under the safety fund or free-banking systems of the State of New-York, was \$1,36,337, or 2,63 per cent of the highest amount issued. The greatest amount of circulation issued to 276 State banks, in twelve States, including the State of New-York, was \$1,4671,346; the amount constand

reconnected by section 3,512, Revised Statutes of the United States.

It often happens that counterfeits of, or altered or sweated, United States coins, are offered to the officers charged with the receipt or disbursement of public money. These officers have a practice, not frowned upon by this Department, to stamp, or otherwise mutilate, all such fraudalient semblances or defective coins, in anniegy with the process, authorized by the act of June 30, 1876, chap. 156, sec. 5, to be applied to fraudalient paper currency. It it be not in some fashion stigmatized, the false token returns again and again to the officer, to be as often tested and rejected, or goes abroad to the deception of the unwary. Of late, discontent has been shown by some holders of such metallic pieces, and the power of the officers so to treat them has been questioned, in quarters on which suspicion does not rest of evil-doing. It is recommended, that to put the official usage beyond eavil, an act by passed akin to that of 1876, which shall give power to those officers over fraudulent eachs or tokens, to break or stamp a false coin or token offered to them, or otherwise make known by mark upon it that it is not gentime.

THE TREASURY SURPLUS.

. THE TREASURY SURPLUS.

That there is likely to be a continuing surplus in the Treasury over the ordinary expenses of the Government, so long at the present revenue laws remain, is seen by those attentive to fiscal affairs. This has called out propositions for the disposal of surplus of public moneys; two of which may be noticed. One is, that seen by those attentive to fiscal affairs. This has called out propositions for the disposal of surplus of public moneys; two of which may be noticed. One is, that the surplus be parcelled out among the States of the Union. This, though it has been ingeniously argued, has not so approved itself to the common sense of the people, as now to call for claborate statement of reasons why it should not be adopted. The public sense is shrewd enough to see, that a debtor owing a large sim, upon interest which he must pay at short intervals, and some of the principal of which he may pay off whenever he pleases and thus save interest, would not be deemed a good manager of affairs, if he should give away, or loan on terms yielding no income and not likely to insure punchual repayment, and means which good lack or prudent conduct had put in his hands; and that it would be wiser for him, with the cash he had, to extinguish so much as he could of the debt against him. And the United States has such means, and owes such debts. It owes over a billion and a quarter of dollars, which is ranning upon interest. It has the option to pay over three millions of the debt whenever it pleases. It must pay the interest on the principal unpaid, at sort intervals. It is not good sense, nor is it common principal against them to pay the debts against it, while, because of its aloundant prosperity, it is easy to do so. There is neither direct nor consequential benefit to that body politic, which is the United States, in the course that is proposed. A surplus is in hand. No way to use it so well, so directly and uncertingly, as with it to that bedy politic, which is the Union are well served, and their mency so paid as to redound to their hasing advantage.

The ground upon which the proposition is baased is, mainly, that of the good to be done to the people of the several States in the rethef given to their financial straits and difficulties, whereby there may be more lurgely and effectually earlied on, within the States and by State governmen

DISTRIBUTION UNDER THE ACT OF 1836. Another proposition is, of a payment from the surplus to certain of the States which have not had their full proportion of money under the Distribution Act of 1836. This comes with dignity of presentation, inasmuch as two powerful States of the Union, Virginia, and Arkan-sas, have seriously asked for such payment, making formal demand therefor. By the terms of that act, the money in the Treasury on January 1, 1837, over the sum of five militons of dollars reserved, was to be depos-ited with such of the States as would receive it on the conditions specified. One of the conditions was that the State should pledge its faith for the safe-keeping of the moneys deposited, and repayment, when required by the